



AGRICULTURE IS RESILIENT THROUGH DISASTER

By, Agriculture Secretary Tom Vilsack

For farmers, ranchers, and growers who have seen their crops decimated by drought, flood or other disasters, this year reminds us of the critical importance of maintaining a strong safety net. Producers have already received more than \$1.6 billion in crop insurance payments for their losses this year on top of emergency program support worth \$160 million. And USDA has looked for additional flexibility in our programs to offer credit and support to help families and farm operations rebuild.

Despite these challenges, American agriculture is as resilient as ever. In fact, according to USDA's new estimates, farm income is at an all time high, and even adjusting for inflation this will be the best year since the mid-1970s. Net farm income is up more than 30% over last year. And it will mean higher incomes for farm families.

We are also in the middle of a record year for agricultural exports, which we should match again next year. This will help support more than 1 million American jobs and mean an agricultural trade surplus of about \$42.5 billion.

These natural disasters have challenged us as a nation. But despite the setbacks, American agriculture is thriving. The men and women who own and operate America's farms and ranches are some of the most resilient in the world. And I know that with their continued dedication and hard work, we will maintain the strength and profitability of American agriculture, and its work to provide food to the nation.

DISASTER ASSISTANCE

The Farm Service Agency would like to remind crop and livestock producers throughout states that have recently experienced severe damage from flooding, wildfires and tornadoes that FSA programs are available to assist with recovery.

FSA administers several important programs that help producers recover from disaster damage and livestock deaths. Among the key programs available to address impacts from disasters are the Emergency Conservation Program (ECP), the Livestock Indemnity Program (LIP), Emergency Assistance for Livestock,

Honeybees and Farm-Raised Fish Program (ELAP), the Noninsured Disaster Assistance and the Supplemental Revenue Assistance Payments (SURE) Program.

Fact sheets for all of these programs can be found at www.fsa.usda.gov; click on Newsroom, then Fact Sheets.

We encourage all who have suffered a disaster due to the recent severe weather conditions to read the fact sheets and visit their local FSA county office so they get a quick start in the recovery process.

Eddy County FSA Office

September 2011

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Hours
Monday - Friday
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Name County Staff:

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Program Technician

Name County Committee Members:

Sharon Giovengo,
Chairman

Curtis Doyal, Vice-
Chairman

Lex Klein, Member

Oscar Vasquez,
Minority Advisor

COC Regular Meetings
Monthly—Third
Wednesday —1:00 PM

EMERGENCY FARM LOANS

On March 24th, the Secretary of Agriculture designated Lincoln, Rio Arriba, Socorro, Otero, Sierra, Taos counties in NM eligible for Emergency Farm Loan assistance due to severe winter storm and extreme cold temperatures.

On June 4th, the Secretary of Agriculture designated Catron, Chaves, Curry, De Baca, Dona Ana, Eddy, Grant, Hidalgo, Lea, Luna, Otero, Quay, Roosevelt, Sierra, and Socorro counties in NM eligible for Emergency Farm Loan assistance due to drought and related disasters, including high winds and wildfires.

On July 29th, the Secretary of Agriculture designated Colfax, Rio Arriba, and Taos counties in NM eligible for Emergency Farm Loan assistance due to drought.

On August 18th, the Secretary of Agriculture designated Lea, Quay, Roosevelt, and Union counties in NM eligible for Emergency Farm Loan assistance due to wildfires.

USDA's Farm Service Agency (FSA) provides emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.

Loan Uses:

Emergency loan funds may be used to:

- Restore or replace essential property;
- Pay all or part of production costs associated with the disaster year;
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance certain debts.

Further information and applications for the loan programs described are available at local FSA county offices.

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Contract agreements for programs such as CRP and DCP must be revised to reflect the successor(s) for a deceased participant's interest.

In the event of an FSA program participant's death, it is important that FSA be notified of any changes to verify the continued eligibility of the pending benefit. Business entities and joint operations that participate in FSA programs also need to inform FSA of changes such as when a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate records is vital to ensuring that those payments are correctly issued and reported.

Selected Interest Rates for	
September 2011	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.125%
Farm Ownership Loans — Direct	4.625%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans (7 years)	1.875%
Commodity Loans	1.250%
Conservation Loans	2.125%

NAP LOSS FILING

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576 (Notice of Loss) in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

FARM LOAN PROGRAMS

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.



Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

RURAL YOUTH LOANS

FSA makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

BEGINNING FARMER & RANCHERS

FSA assists beginning farmers and ranchers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency
- Does not own farm acreage greater than 30 % of the median size farm in the county.

LOANS FOR THE SOCIALLY DISADVANTAGED

FSA has loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided targeted funding for members of Socially Disadvantaged groups.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

LIVESTOCK PRODUCERS REQUIRED TO RE-REGISTER LIVESTOCK BRANDS

The expiration period for 10-year brand registration is rapidly approaching. All livestock producers who have a brand recorded in the County Clerk's office must re-register their brand in the county in which the livestock are located in order for it to remain a valid brand. Most producers who borrow money for their livestock operation are required to have their brands registered and provide a copy of the registration to their lender.

Brand re-registration begins August 30, 2011 and ends February 29, 2012. After the re-registration period is over, any previously recorded brands that were not re-registered will expire and become available to anyone.

Brand applications can be found at:

<http://www.tscra.org/brands/application.pdf>

FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. If a participant provides 20% or greater down payment, then the requirement for a severance agreement for loans under \$50,000 will be waived. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount not to exceed \$250,000.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities